



U.S. Department of Energy  
Office of Inspector General  
Office of Inspections and Special Inquiries

# Inspection Report

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Security and Other Issues Related to  
Out-Processing of Employees at  
Los Alamos National Laboratory



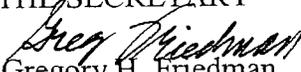
## Department of Energy

Washington, DC 20585

February 22, 2005

MEMORANDUM FOR THE SECRETARY

FROM:

  
Gregory H. Friedman  
Inspector General

SUBJECT:

INFORMATION: Inspection Report on "Security and Other Issues Related to Out-Processing of Employees at Los Alamos National Laboratory"

### BACKGROUND

Los Alamos National Laboratory (LANL), as part of the National Nuclear Security Administration (NNSA), contributes to meeting the Nation's nuclear deterrence capability and other security needs. LANL is operated by the University of California (UC) and is one of the Department of Energy's most sensitive sites. The laboratory directly employs about 7,500 UC employees, of which approximately 800 terminate their employment each year.

During previous reviews by the Office of Inspector General, concerns were raised about the adequacy of internal controls over property at LANL. Therefore, the objective of our inspection was to determine the adequacy of LANL internal controls for management to ensure that terminating employees accounted for Government property at the time of their departure. To achieve this objective, we sampled transactions related to LANL employee out-processing; reviewed related documents, including LANL procedural directives; and interviewed responsible contractor and Federal officials.

### RESULTS OF INSPECTION

LANL out-processing procedures were not followed by more than 40 percent of the 305 terminating employees included in our sample. Consequently, Property Administrators, Classified Document Custodians, and Badge Office personnel frequently did not receive timely notification that employees were terminating. Given this and the results of additional sampling, we found that there was no assurance that, prior to departure, LANL terminating employees turned in security badges, completed the required Security Termination Statement, or had their security clearances and access authorizations to classified matter and/or special nuclear material terminated in a timely manner. To illustrate, of a sample of 96 cleared employees who departed LANL over a 2-year period:

- Forty-four employees had not turned in their badges at the time of our field work;
- Sixty-one employees did not complete the Security Termination Statement at the time of their departure;
- Twenty-one employees retained their clearances in the Department's official database from 11 to 567 days after their departure; and



- One employee retained his sensitive compartmented information access authorization for more than 5 months after his retirement.

Further, we found that there was no assurance that, prior to departure, LANL terminating employees:

- Accounted for classified holdings, such as documents and classified removable electronic media (CREM), and personal property, such as computers and laboratory equipment. However, our limited checks did not identify any unaccounted for items assigned to terminated employees; and
- Cleared the LANL Payroll Team for the purpose of stopping wage payments and addressing outstanding financial obligations.

Subsequent to completion of our fieldwork, LANL revised its out-processing procedures to address some of the concerns we raised during the inspection. The revised procedures were not in place long enough for us to assess their effectiveness. However, we noted that the revised procedures (1) transferred responsibility for out-processing from the terminating employee to the applicable Line Manager and (2) were expanded to specifically include the collection, return, and reassignment of CREM.

We made several recommendations to the Manager of the Los Alamos Site Office that were designed to enhance safeguards and security and property controls at LANL.

### MANAGEMENT REACTION

In responding to a draft of this report, NNSA generally agreed with the report and corresponding recommendations and indicated that corrective actions have been implemented. However, NNSA disagreed with our characterization of the seriousness of the consequences resulting from the lack of adherence to established out-processing procedures. NNSA believed it was “more accurate to state there is potential for unauthorized access.”

In general, management’s comments were responsive to our findings and recommendations. However, it is clear that a key premise of the Department’s security program is that only authorized persons have access to classified and sensitive facilities and/or information. Thus, we believe that the issues described in our report must be considered serious, especially in the present environment.

Management’s comments are provided in their entirety in Appendix B of the report.

Attachment

cc: Administrator, National Nuclear Security Administration  
Director, Office of Security and Safety Performance Assurance  
Director, Policy and Internal Controls Management  
Director, Office of Program Liaison and Financial Analysis

# SECURITY AND OTHER ISSUES RELATED TO OUT-PROCESSING OF EMPLOYEES AT LOS ALAMOS NATIONAL LABORATORY

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# Overview

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## **INTRODUCTION AND OBJECTIVES**

The core mission of the Department of Energy's (DOE's) Los Alamos National Laboratory (LANL) is to enhance global security, develop technical solutions to reduce the weapons of mass destruction threat, and improve the cold war environmental and nuclear materials legacy. Given its national security mission, LANL is one of DOE's most sensitive sites. LANL is operated by the University of California (UC) and administered by the National Nuclear Security Administration (NNSA). It directly employs approximately 7,500 UC employees. Approximately 800 UC employees terminate employment at LANL annually.

During previous reviews by the Office of Inspector General, concerns were raised about the adequacy of internal controls over property at LANL. Further, during a February 26, 2003, congressional hearing before the House Energy and Commerce Committee's Subcommittee on Oversight and Investigations, a former LANL employee testified that retiring employees took Government property with them when they left the laboratory.

Based upon this, the objective of our inspection was to determine the adequacy of LANL internal controls for management to ensure that terminating employees accounted for Government property at the time of their departure. To achieve this objective, we conducted several samples of transactions related to LANL employee out-processing; reviewed related documents, including LANL procedural directives; and interviewed numerous responsible contractor and Federal officials.

## **OBSERVATIONS AND CONCLUSIONS**

More than 40 percent of the 305 cleared and uncleared terminating employees included in our sample did not follow LANL out-processing procedures. Consequently, Property Administrators, Classified Document Custodians, and Badge Office personnel frequently did not receive timely notification that employees were terminating. Given this and the results of additional sampling, we concluded that the process did not provide assurance that, prior to departure, LANL terminating employees:

- Turned in security badges, received the required Security Termination Briefing, completed the required Security Termination Statement, or had their security clearances and access authorizations to classified matter and/or special nuclear material terminated in a timely manner. For example, of a sample of 96 cleared employees who departed LANL over a 2-year period: 44 employees did not turn in their badges; 61

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employees did not complete the Security Termination Statement at the time of their departure; 21 employees retained their clearances in DOE's official database anywhere from 11 to 567 days after departure; and 1 employee retained his sensitive compartmented information (SCI) access authorization for more than 5 months after his retirement.

- Accounted for classified holdings, such as documents and classified removable electronic media (CREM), and personal property, such as computers and laboratory equipment. However, a limited review of personal property that had been assigned to terminated employees did not identify any unaccounted for items.
- Cleared the LANL Payroll Team for the purpose of stopping wage payments and addressing outstanding financial obligations.

We found that the contract between the Department and LANL did not contain performance measures to evaluate the effectiveness of the LANL employee out-processing procedures. We believe such a mechanism is important since LANL's termination process is intended, in part, to account for classified and unclassified Government property.

On September 14, 2004, subsequent to completion of our fieldwork, LANL revised its out-processing procedures to address some of the concerns we raised during this inspection. The revised procedures have not been in place long enough for us to assess their effectiveness. However, under the revised procedures, the responsibility for out-processing has been transferred from the terminating employee to the applicable Line Manager (i.e., Group Leader or above). We also noted that the revised procedures were expanded to specifically include the collection, return, and reassignment of CREM. We believe that the Department should ensure that LANL incorporates recommended corrective actions associated with the internal control weaknesses identified in this report as it implements the new out-processing procedures.

This inspection expands upon work performed by the Office of Inspector General at several DOE sites, which is discussed in an audit report entitled "Personnel Security Clearances and Badge Access Controls at Selected Field Locations" (DOE/IG-0582, January 2003). The audit found that, among other things, a number of employees departed LANL without surrendering their badges; however, only a few retained authority to access sensitive areas or classified material.

## Details of Findings

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### **OUT-PROCESSING PROCEDURES**

We found that more than 40 percent of the 305 terminating employees in our sample did not follow LANL out-processing procedures. As a result, Property Administrators, Classified Document Custodians, and Badge Office personnel frequently did not receive timely notification that employees were terminating, and key elements of the out-processing procedures were not performed timely. The out-processing procedures were outlined on the LANL internal web site at the Human Resources (HR) Homepage. Terminating employees were required to download a Departure Processing form or obtain it from the Division HR representative or the HR Division office and out process with applicable LANL organizations.

Using the Departure Processing form, regular LANL employees were required to obtain the signatures of the individuals responsible for 14 key elements of the termination process. Student employees (i.e., those who have completed high school, been accepted in an undergraduate program or above, and received 90-day to 1-year appointments) were required to obtain the signatures of the individuals responsible for 8 key elements of the termination process. Some of the signatures included on the Departure Processing forms are those of Property Administrators, Document Custodians, Key Custodians, Librarians, Benefits Specialists, and Badge Office personnel. Their signatures were intended to document that personal property, classified holdings, keys, and badges were accounted for prior to an employee's departure and that security clearances and access authorizations (i.e., authorizations to access classified matter or special nuclear material) were properly terminated.

Reviewing a judgmental sample of 305 employees out of 1,668 employees who terminated between January 1, 2002, and February 25, 2004, we identified that 129 of the associated HR files were missing the Departure Processing form. In most instances, it did not appear that HR had formal advance notice that these 129 employees were leaving the laboratory. As HR became aware of these departures, it notified the following LANL organizations: Security, Travel, Smart Cards (these cards allow access to the LANL intranet), Benefits, Property Administration, and Payroll. This notification was made using an HR Terminations Memorandum, which referred to the problem identified during this review by stating, "This is to assist your organization since this employee did not complete the departure process."

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The HR memorandum was the first written notification of departure to affected organizations. However, we determined that the HR memoranda were often issued more than a week after an employee left the laboratory.

As a result of termination notification delays, supporting organizations frequently did not accomplish out-processing tasks prior to an employee's departure. This had what were, in our judgment, significant consequences, which are described in the following portions of this report.

## **Security Badges**

The process did not provide assurance that all terminating employees turned in their security badges prior to departure. Since the Departure Processing form was not always used, the LANL Security and Safeguards Division, which is responsible for the collection of badges, frequently was not provided advance notice about terminating employees. As a result, 162 of the 1,668 employees who terminated between January 1, 2002, and February 25, 2004, or approximately 10 percent, did not turn in their badges prior to departure. These included employees with the following types of badges:

- 33 Q-cleared badges, which allow access up to top secret information and specified quantities and types of special nuclear material;
- 11 L-cleared badges, which allow access up to secret information and smaller quantities and types of special nuclear material; and
- 118 unclassified badges, which allow access to LANL unclassified facilities and areas.

At the time of our fieldwork, entrance to certain LANL facilities was controlled through manual badge checks by security officers, not electronic means. Also, under certain circumstances, LANL badges allowed access to other DOE facilities. Therefore, a terminated employee who had retained his/her badge could potentially access laboratory facilities and classified information and materials, as well as other DOE sites. However, there was no practical way to readily determine if such access had, in fact, occurred given circumstances such as the existence of LANL entrance points that relied on manual badge checks.

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**Security  
Clearances  
and Access**

There was no assurance that terminating employees received the required Security Termination Briefing, completed the required Security Termination Statement, or had their security clearances and access authorizations terminated in a timely manner. The retention of security clearances combined with the retention of badges by terminated employees increases the potential for terminated employees to obtain unauthorized access to facilities and/or classified information after departure.

DOE Manual (M) 470.1-1, "Safeguards and Security Awareness Program," states that a Security Termination Briefing is required whenever access authorization has been or will be terminated. Security Termination Briefings are used to impress upon the individual his or her continuing responsibility not to disclose classified information. This briefing also addresses the individual's obligation to return to appropriate DOE officials all classified documents and materials in the individual's possession prior to departure.

After the Security Termination Briefing, the terminating employee and the Security Specialist who conducted the briefing sign DOE Form (F) 5631.29, "Security Termination Statement." This form is used by LANL to provide the required notification to the cognizant DOE Personnel Security Office of the termination of an employee. Based on this form, the DOE Personnel Security Office terminates the employee's security clearance and access authorization in DOE's Central Personnel Clearance Index (CPCI) system.

We sampled 96 DOE Q-cleared and L-cleared employees who departed the laboratory during the period January 1, 2002, to February 25, 2004, 44 of whom had not turned in their badges. Of the 96 employees, we identified 61 employees who did not complete the Security Termination Statement at the time of their departure. As a result, some security clearances were not terminated in the CPCI system in a timely manner. Specifically, 21 of the 61 Q-cleared and L-cleared employees who did not complete the Security Termination Statement retained their clearances in the CPCI anywhere from 11 to 567 days after their departure. Further, of the 21 employees, 6 had not turned in their security badges at the time of their departure from the laboratory.

We found that the cognizant DOE Personnel Security Office was unaware that 3 of the 21 employees had terminated from the laboratory. The 3 employees retained active clearances ranging from 377 days to 567 days following their respective terminations.

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The Office of Inspector General immediately notified the DOE Personnel Security Office of our concern, and we confirmed that action was taken to terminate the clearances. Among the other departed employees, we found that four employees had clearances that were active for periods ranging from approximately three months to nine months after termination.

We followed up to determine whether any of the 96 departed employees had SCI access authorization and, if so, whether that authorization was terminated timely. We determined that five of the departed employees had SCI access authorization through LANL and that one of those employees retained his SCI access authorization for five months after retiring from LANL. We interviewed this former employee, and he told us that a few months after his retirement he took a position with a LANL subcontractor. He advised us that he was unaware of any need for the retention of his SCI access authorization after he retired from LANL and did not recall accessing any SCI material after his retirement. In addition, an official with the subcontractor told us that an SCI access authorization was not required as a condition of the individual's employment.

## **Classified Holdings**

There was no assurance that terminating employees accounted for classified holdings prior to departure. Although our limited checks did not identify any unaccounted for classified holdings assigned to terminated employees, we noted that Document Custodians often did not have the opportunity to reconcile classified holdings with these employees. We believe this increases the potential for unaccounted for classified holdings to be identified after an employee has departed and is unavailable to assist with reconciliation.

It was the responsibility of the terminating employee and the associated Document Custodian to clear the employee's accounts of all classified holdings. Since the Departure Processing form was not always used, Document Custodians responsible for the accountability of classified holdings were frequently unaware that employees who reasonably would be expected to have classified holdings were departing the laboratory. We also determined that although students may have authorized access to classified materials, the Departure Processing for Students form did not include a signature line for the Document Custodian.

Of even greater concern, the out-processing procedures did not address the accountability of CREM when employees responsible

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for the control of this material departed the laboratory. Specifically, we determined that the Departure Processing forms for both regular employees and students did not contain a specific out-processing signature line for CREM Custodians. As noted previously, LANL's revised out-processing procedures were expanded to include the collection, return, and reassignment of CREM. Since LANL has experienced significant problems in the control and accountability of this material in the past, we believe that LANL should place special emphasis on the accountability of CREM during the implementation of the revised out-processing procedures.

**Personal  
Property**

There was no assurance that terminating employees accounted for personal property, such as computers and laboratory equipment, prior to departure. It was the responsibility of the terminating employee and the Property Administrator to account for all LANL equipment and property before an employee departed. These activities included determining what property items were affected, locating these items, obtaining reassignment guidance from management, reassigning the items, and performing database entries.

Since the Departure Processing form was not always used, Property Administrators were frequently unaware that employees were departing the laboratory. Although our limited review did not identify any unaccounted for property assigned to terminated employees, Property Administrators frequently had to complete required termination activities after employees left the laboratory. We believe this increases the potential for unaccounted for property to be identified after an employee's termination, which diminishes LANL's ability to hold employees accountable for assigned property.

**Financial  
Clearance**

There was no assurance prior to their departure that terminating employees cleared the LANL Payroll Team for the purpose of stopping wage payments and addressing outstanding financial obligations. The Payroll Team was frequently unaware that employees departed the laboratory. We found instances where this resulted in overpayments and unresolved obligations. For example, one employee was paid for an additional week's salary after his designated termination date, and four employees departed the laboratory owing for advanced leave.

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**PERFORMANCE MEASURES**

We found that there was no mechanism identified under the LANL performance objectives and measures to evaluate the effectiveness of the HR termination process.

Our review of the contractor performance objectives and measures for Fiscal Year (FY) 2004 determined that the LANL contract, Appendix F, contained a performance objective that addressed the effectiveness of internal controls associated with LANL HR business systems. The performance objective stated “Improve or maintain effective business systems and practices that safeguard public assets and support mission objectives.”

The “LANL Implementation Guidelines for FY04 Appendix F, Performance Objectives and Measures” developed by the laboratory contained the evaluation basis for determining the laboratory’s performance. The performance measure in this document that correlates with the above performance objective stated “Demonstrate effective internal business controls and processes to maintain an acceptable . . . Human Resources administrative systems . . .” However, the evaluation basis only addressed five HR processes: new hires, student hires, position classification, start salaries, and promotional increases. The LANL evaluation basis did not address the HR termination process. We believe such a mechanism is important since LANL’s termination process is intended, in part, to account for classified and unclassified Government property.

**RECOMMENDATIONS**

We recommend that the Manager, Los Alamos Site Office, ensures that:

1. LANL’s revised out-processing procedures adequately address the issues identified in this report and are being appropriately implemented.
2. LANL conducts a review of terminated employees who retained their badges and/or access authorizations after their official termination dates to determine if they obtained unauthorized access to DOE facilities and/or classified holdings.
3. LANL conducts a review of all employees who terminated without following the appropriate out-processing procedures to ensure that any CREM or classified holdings assigned to these employees have been properly accounted for.

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4. LANL recovers badges of terminating employees, conducts Security Termination Briefings, completes Security Termination Statements, and makes timely notification to DOE when security clearances and access authorizations should be terminated.
  5. Prior to the departure of terminating employees, LANL accounts for all Government property assigned to the employees, to include personal property, classified holdings, and CREM.
  6. Prior to the departure of terminating employees, LANL reconciles outstanding financial obligations.
  7. LANL's implementation guidelines for its performance objectives and measures are revised to include an evaluation of the HR termination process as part of the overall evaluation of the HR administrative system.

**MANAGEMENT  
COMMENTS**

In comments on our draft report, management generally agreed with our report and recommendations and indicated that corrective actions have been taken or initiated. However, NNSA disagreed with our characterization of the seriousness of the consequences resulting from the lack of adherence to established out-processing procedures, and NNSA believed it was "more accurate to state there is potential for unauthorized access." Management also provided two comments about specific phrasing in the report.

**INSPECTOR  
COMMENTS**

We found management's comments to be generally responsive to our report. However, we disagree with NNSA's position regarding the seriousness of the issues raised in this report. The integrity of the Department's security program is built on the premise that only authorized persons have access to classified and sensitive information.

Regarding management's two comments concerning specific phrasing in the report, we evaluated the matter and made appropriate changes.

## Appendix A

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### SCOPE AND METHODOLOGY

We conducted our inspection fieldwork between January and August 2004. We interviewed laboratory officials regarding LANL out-processing procedures and reviewed DOE and LANL policies, procedures, and records regarding employee terminations, security clearance and access authorization terminations, personal property, badges, classified holdings, and payroll. We also interviewed DOE officials regarding security clearance and access authorization terminations, property accountability, and performance measures. Documents of primary interest were:

- DOE M 470.1-1, “Safeguards and Security Awareness Program.”
- DOE O 472.1C, “Personnel Security Activities.”
- DOE M 472.1-1B, “Personnel Security Program Manual.”
- DOE M 473.1-1, “Physical Protection Program Manual.”
- LANL Property Management Manual.

Also, pursuant to the “Government Performance and Results Act of 1993,” we reviewed LANL’s performance measurement processes as they relate to HR business systems.

This inspection was conducted in accordance with the “Quality Standards for Inspections” issued by the President’s Council on Integrity and Efficiency.

# Appendix B

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Department of Energy  
National Nuclear Security Administration  
Washington, DC 20585



February 10, 2005

MEMORANDUM FOR Alfred K. Walter  
Assistant Inspector General  
for Inspections and Special Inquiries

FROM: Michael C. Kane  
Associate Administrator  
for Management and Administration

SUBJECT: Revised Comments to Draft Inspection Report on  
Employee Out-Processing at LANL

The National Nuclear Security Administration (NNSA) appreciates the opportunity to have reviewed the Inspector General's (IG) draft inspection report, S04IS008, "Out-Processing of Employees at Los Alamos National Laboratory." We understand that this inspection was the result of Congressional testimony by a former Laboratory employee who claimed that retiring employees took Government property with them when they, the employees, left the Laboratory.

Generally, NNSA agrees with the report and corresponding recommendations. In fact corrective actions were implemented and completed prior to the issuance of the draft report. While we agree with the report we are providing the following comments.

- Observations and Conclusions; page one, paragraph four - talks to personnel being frequently unaware that employees had left the laboratory. It would be more correct to reflect the lack of timeliness of notifications since all of the administrative offices mentioned were notified, albeit after the employees left and through memoranda.
- Page four, first paragraph talking about security badges - it is more accurate to state that "in 10% of the cases, there was no assurance...." rather than stating that there was no assurance that terminating employees turned in their security badges when the report also states 90% of departing employees did turn in badges upon termination.
- NNSA disagrees with the IG's contention of "serious consequences" as stated in the report. We do believe that, left uncorrected, it is more accurate to state there is "potential for unauthorized access."



## Appendix B (continued)

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Should you have any questions about this response, please contact Richard Speidel, Director, Policy and Internal Controls Management. He may be contacted at 202-586-5009.

**Attachment**

cc: Robert Braden, Senior Procurement Executive  
Edwin Wilmot, Manager, Los Alamos Site Office  
Karen Boardman, Director, Service Center

## Appendix B (continued)

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**Comments to Recommendations  
Draft Inspection Report, S04IS008  
“Out-Processing of Employees  
at Los Alamos National Laboratory”**

The following are specific comments to the recommendations.

*We recommend that the Manager, Los Alamos Site Office, ensures that:*

**Recommendation 1**

LANL’s revised out-processing procedures adequately address the issues identified in this report and are being appropriately implemented.

**Management Comment**

**Concur**

Action Complete. The out-processing procedures that the Laboratory revised address the issues raised in the report and the procedures have been implemented.

**Recommendation 2**

LANL conducts a review of terminated employees who retained their badges and/or access authorizations after their official termination dates to determine if they obtained unauthorized access to DOE facilities and/or classified holdings.

**Management Comment**

**Concur With Intent**

NNSA agrees with the intent of the recommendation. However, we do not agree with the implementation of the recommendation the way it is worded. For the Laboratory to conduct a review of terminated employees would be cost prohibited and resource intensive. Additionally, those employees that have terminated employment that did not have clearances could easily return to the property (open) areas of the Laboratory justifiably and without the knowledge of Laboratory management. However, for those employees that have terminated employment and that held clearances/access authorizations, they are prohibited from entering protected areas. Security measures are such that they prevent this type of

unauthorized access. There is an established process whereby changes are made to an employee's status from active to inactive when employment terminates, and this automatically prevents access to security areas via electronic means. There are four data points that are electronically verified when an individual swipes his or her badge to access a security area, including: (1) an active employee record; (2) an active security badge; (3) a current security refresher briefing record; and, (4) an active clearance. Even in those cases where an employees' security badge was not retrieved access to the security areas is not possible. NNSA believes that with the implementation of all of the other recommendations, the concerns raised by this recommendation will be addressed. However, the Site Office will pursue opportunities with the Laboratory for the Laboratory to conduct a random sampling of terminated employees who possessed clearances/access authorizations to determine if any of those terminated employees tried to access protected areas after their termination.

### **Recommendation 3**

LANL conducts a review of all employees who terminated without following the appropriate out-processing procedures to ensure that any CREM, or classified holdings assigned to these employees has been properly accounted for.

### **Management Comment**

#### **Concur**

Action Complete. A 100% wall-to-wall inventory of accountable CREM in complete. All documents are accounted for. Therefore, there is not an issue related to missing CREM and employees that did not properly out-process when terminating employment.

### **Recommendation 4**

LANL recovers badges of terminating employees, conducts Security Termination Briefings, completes Security Termination Statements, and makes timely notification to DOE when security clearances and access authorizations should be terminated.

### **Management Comment**

#### **Concur**

Action Complete. As part of the implemented, revised out-processing procedures, terminating employees go through one or all of the following: collection of terminating employee badges; conduct of Security Termination Briefings; completion of Security Termination Statements; and notification when security clearances and access authorizations must be terminated.

### **Recommendation 5**

Prior to the departure of terminating employees, LANL accounts for all Government property assigned to the employees, to include personal property, classified holdings, and CREM.

### **Management Comment**

**Concur**

Action Complete. Revised procedures account for government property, CREM, and/or classified holdings related to individuals terminating employment.

### **Recommendation 6**

Prior to the departure of terminating employees, LANL reconciles outstanding financial obligations.

### **Management Comment**

**Concur**

Action Complete. Any financial obligations are resolved to the extent allowed by law and/or is financially beneficial to the Laboratory.

### **Recommendation 7**

LANL's implementation guidelines for its performance objectives and measures are revised to include an evaluation of the HR termination process as part of the overall evaluation of the HR administrative system.

### **Management Comment**

**Concur**

## Appendix B (continued)

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The Site Office Manager has directed that, for FY 2005, an Appendix F measure be developed to include "safe and secure departure of all employees should account for many items including, but not limited to, LANL property, LANL badges, clearance processing, and financial stewardship. At least 97.5% of terminating employees will be properly exited according to the encompassing and newly implemented departure process.

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